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Bankruptcy Conflicts Counsel for Delphi Corporation, et al.,
Debtors and Debtors-in-Possession,
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**Hearing Date: 1/10/2008
at 10:00 a.m.**

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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re	:	Chapter 11
	:	
DELPHI CORPORATION, et al.,	:	Case No. 05-44481 [RDD]
	:	
Debtors.	:	(Jointly Administered)
	:	
-----X	:	

**NOTICE OF PRESENTMENT OF JOINT STIPULATION AND
AGREED ORDER TO AMONG OTHER THINGS, PERMIT SETOFF OF
MUTUAL PRE-PETITION OBLIGATIONS UNDER SECTION 553
OF THE BANKRUPTCY CODE AND TO DISALLOW AND EXPUNGE
CLAIM NUMBER 1111 (FEDERAL-MOGUL CORPORATION)**

PLEASE TAKE NOTICE that on August 24, 2007, Delphi Corporation ("Delphi") and certain of its subsidiaries and affiliates, debtors and debtors-in-possession in the above-captioned cases (collectively, the "Debtors"), objected to proof of claim number 1111 (the "Claim") filed by Federal-Mogul Corporation ("Claimant") against Delphi Automotive Systems LLC pursuant to the Debtors' Twentieth Omnibus Objection Pursuant to 11 U.S.C. § 502(b) and Fed. R. Bankr. P. 3007 to Certain (A) Duplicate and Amended Claims, (B) Insufficiently Documented Claims, (C) Claims Not Reflected on Debtors' Books and Records, (D) Untimely Claim, and (E) Claims Subject to Modification, Tax Claims Subject to Modification, Modified Claims Asserting

Reclamation, Consensually Modified and Reduced Tort Claims, and Lift Stay
Procedures Claims Subject to Modification (Docket No. 9151) (the "Objection")

PLEASE TAKE FURTHER NOTICE that the Debtors and the Claimant have agreed to settle the Objection with respect to the Claim and, pursuant to the Order Under 11 U.S.C. §§ 363, 502, And 503 And Fed. R. Bankr. P. 9019(b) Authorizing Debtors To Compromise Or Settle Certain Classes Of Controversy And Allow Claims Without Further Court Approval (Docket No. 4414), have (i) entered into a Settlement Agreement, dated as of December 21, 2007 (the "Settlement Agreement"), and (ii) executed a Joint Stipulation And Agreed Order To Among Other Things, Permit Setoff Of Mutual Pre-petition Obligations Under Section 553 Of The Bankruptcy Code And To Disallow And Expunge Claim Number 1111 (the "Joint Stipulation").

PLEASE TAKE FURTHER NOTICE that, pursuant to the Settlement Agreement and the Joint Stipulation, the Debtors and the Claimant have agreed to, among other things, permit setoff of mutual pre-petition obligations under Section 553 of the Bankruptcy Code and to disallow and expunge Claim Number 1111 in its entirety. The setoff results in a balance of \$112,665.16 due to the Debtors, which will be satisfied by the Claimant.

PLEASE TAKE FURTHER NOTICE that the Debtors will present the Joint Stipulation for consideration at the hearing scheduled for January 10, 2008, at 10:00 a.m. (prevailing Eastern time) in the United States Bankruptcy Court for the Southern District of New York.

Dated: New York, New York
January 2, 2008

DELPHI CORPORATION, *et al.*
By their attorneys,
TOGUT, SEGAL & SEGAL LLP
By:

/s/ Neil Berger
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